



County of Los Angeles CHIEF EXECUTIVE OFFICE

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January 18, 2008


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To: Supervisor Yvonne B. Burke, Chair
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Supervisor Michael D. Antonovich
From: 
William T Fujioka
Chief Executive Officer

SACRAMENTO UPDATE

Governor's Proposed Budget - Strategic Growth Plan

The Strategic Growth Plan, which the Governor outlined in his FY 2008-09 Proposed State Budget, is an ambitious program of significant investments over the next two decades to restore and maintain the State's critical infrastructure.

As reported in our January 11, 2008 Sacramento Update, the Governor proposes \$48.1 billion in new general obligation bonds to finance the Strategic Growth Plan through 2016. The proposed bonds would be placed before the voters in the 2008 (\$38.3 billion) and 2010 (\$9.8 billion) general elections to fund the following infrastructure:

- \$11.6 billion, K-12 Education;
- \$12.3 billion, Higher Education;
- \$11.9 billion, Flood Control and Water Supply;
- \$10.0 billion, High Speed Rail;
- \$ 2.0 billion, Judiciary; and
- \$ 0.3 billion, Other Public Service Infrastructure.

This proposal follows recently approved State infrastructure funding including:
1) \$42.7 billion in voter-approved general obligation bonds (November 2006) available for transportation, education, flood control, natural resources, and housing, and
2) \$7.7 billion in lease-revenue bond authority approved by the Legislature in 2007 to address prisons and jail overcrowding as well as improving the delivery of medical services within the correctional system.

Elements of the Bond Package

The new bond package would continue funding infrastructure improvements for K-12 schools and higher education beyond the financing in the existing voter-approved bonds. In addition, proceeds would be used to expand the State's water supply and management systems, including funding for water storage (\$3.5 billion), Delta Sustainability (\$2.4 billion), Water Resources Stewardship (\$1.1 billion), water conservation (\$3.1 billion), water quality improvement (\$1.1 billion), and other critical water projects (\$700 million) which includes grants and loans for water recycling and enhancing water self-sufficiency, fire damaged watershed restoration, and removal of fish barriers and obsolete dams. Other bond proceeds are targeted for the repair and expansion of the State's court system and modification of the Safe, Reliable High-Speed Passenger Train Bond Act, which is currently scheduled for placement on the November 2008 ballot, to ensure co-financing is available to begin the project.

As part of Strategic Growth Plan implementation, the Governor proposes to:

- Create a Strategic Growth Council to: 1) coordinate State agency activities and investments related to air and water quality, natural resource protection, affordable housing, transportation, climate change (AB 32 of 2006) and sustainable land use; 2) recommend policies to State agencies and legislation consistent with the programs designated within Proposition 84 for sustainable communities and oversee the award of specified grants and loans provided for land use planning and urban greening; and 3) collect, manage and provide data and information to local governments on developing and planning sustainable communities; and
- Establish Performance Based Infrastructure (PBI) California to: 1) provide broad authorization for State and local governments to partner with the private sector to fund the planning, design, development, construction, operation and/or maintenance of critical infrastructure; 2) assist in obtaining the best financing, procurement, risk allocation, delivery, and management of public-private partnerships; 3) provide the ability for leveraging resources and generating economies of scale; and 4) act as a repository of knowledge, expertise, information and practical experience of the performance based approach.

Pursuit of Position on Reinstatement of Retired Firefighters

County-sponsored SB 134 (Cedillo), Chapter 290, Statutes of 2007, grants authority to the Board to allow County sworn Sheriff's employees and firefighters hired prior to April 1, 1997 to work beyond the age of 60. It also allows County sworn Sheriff's employees to apply for reinstatement after retirement, but this option is not open to firefighters and the Fire Chief. The bill also did not repeal a provision in **County-sponsored AB 1769 (Negrete-McLeod)**, Chapter 134, Statutes of 2005, requiring the

Fire Chief to retire before April 1, 2009. Therefore, our Sacramento advocates **will seek an author for County-sponsored legislation to rectify this situation.** Sponsorship is consistent with County-sponsored AB 1769 (Negrete-McLeod) of 2005 which exempted the Fire Chief from mandatory retirement at age 60 while imposing the April 2009 mandatory retirement date, and County-sponsored SB 134 of 2007.

Status of County-Sponsored Legislation

County-sponsored AB 564 (Brownley) was amended on December 13, 2007 to authorize the Los Angeles County Flood Control District to implement storm water fees, upon voter approval and/or consistent with the requirements of Proposition 218, to fund clean water programs. This measure passed the Assembly Local Government Committee on January 16, 2007 by a vote of 5 to 2, and now proceeds to the Assembly Appropriations Committee.

Status of County Advocacy Legislation

County-opposed SB 1X 5 (Cox), which would redirect Proposition 10 funds from County First 5 Commissions to the State General Fund to fund health care services and health initiatives, failed passage in the Senate Health Committee on January 16, 2008 by a vote of 3 to 5.

County-opposed SB 726 (Alquist), which provides for retroactive application of the blood-borne disease presumption granted to safety members, was amended on January 14, 2008 to apply to claims filed since 1995, rather than on or after April 1, 1989 as previously provided. SB 726 was subsequently approved by the Senate Labor and Industrial Relations Committee by a vote of 4 to 1. SB 726 now proceeds to the Senate Appropriations Committee.

We will continue to keep you advised.

WTF:GK
MAL:IGA:hg

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants